

**ND ASSOCIATION OF COUNTIES - PROGRAM SAVINGS FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2006**

	December-06					September-06				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Quarter	Month	Market Value	Allocation	Actual	Quarter	FYTD	FY06	Ended	Ended
		Policy	Net ROR	Net ROR			Policy	Net ROR		Net	Net	6/30/2006	6/30/2006
												Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>													
<i>Structured Growth</i>													
Los Angeles Capital	21,882	3.8%	3.9%	7.40%	0.16%	20,870	3.8%	3.9%	1.60%	9.12%	11.12%	N/A	N/A
<b>Total Structured Growth</b>	<b>21,882</b>	<b>3.8%</b>	<b>3.9%</b>	<b>7.40%</b>	<b>0.16%</b>	<b>20,870</b>	<b>3.8%</b>	<b>3.9%</b>	<b>1.60%</b>	<b>9.12%</b>	<b>11.12%</b>	<b>12.01%</b>	<b>-0.32%</b>
<i>Russell 1000 Growth</i>				5.93%	0.34%				3.94%	10.10%	6.12%	8.35%	-0.76%
<i>Structured Value</i>													
LSV	24,221	4.2%	3.9%	8.09%	1.93%	22,996	4.2%	3.9%	4.90%	13.39%	15.05%	21.14%	12.22%
Russell 1000 Value				8.00%	2.24%				6.22%	14.72%	12.10%	15.70%	6.89%
<i>Russell 1000 Enhanced Index</i>													
LA Capital	45,897	8.0%	7.9%	7.67%	1.05%	41,628	7.6%	7.9%	3.71%	11.66%	11.58%	N/A	N/A
Russell 1000				6.95%	1.28%				5.06%	12.36%	9.08%	N/A	N/A
<i>S&amp;P 500 Enhanced Index</i>													
Westridge	46,244	8.1%	7.9%	6.86%	1.43%	44,451	8.1%	7.9%	5.75%	13.00%	8.77%	N/A	N/A
S&P 500				6.70%	1.40%				5.67%	12.74%	8.63%	N/A	N/A
<i>Index</i>													
State Street	16,253			8.03%	2.51%	15,442			5.78%	14.28%	9.51%	11.47%	2.62%
<b>Total 130/30</b>	<b>16,253</b>	<b>2.8%</b>	<b>2.6%</b>	<b>8.03%</b>	<b>2.51%</b>	<b>15,442</b>	<b>2.8%</b>	<b>2.6%</b>	<b>5.78%</b>	<b>14.28%</b>	<b>9.51%</b>	<b>11.47%</b>	<b>2.62%</b>
S&P 500				6.70%	1.40%				5.67%	12.74%	8.63%	11.22%	2.49%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>154,498</b>	<b>27.0%</b>	<b>26.3%</b>	<b>7.50%</b>	<b>1.32%</b>	<b>145,386</b>	<b>26.6%</b>	<b>26.3%</b>	<b>4.49%</b>	<b>12.32%</b>	<b>10.95%</b>	<b>13.63%</b>	<b>3.95%</b>
S&P 500				6.70%	1.40%				5.67%	12.74%	8.63%	11.22%	2.49%
<b>SMALL CAP DOMESTIC EQUITY</b>													
<i>Manager-of-Managers</i>													
SEI	52,149	9.1%	8.8%	8.82%	0.32%	47,868	8.7%	8.8%	-0.01%	8.81%	13.58%	18.20%	7.84%
Russell 2000 + 200bp				9.43%	0.50%				0.94%	10.46%	16.86%	21.06%	10.38%
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>52,149</b>	<b>9.1%</b>	<b>8.8%</b>	<b>8.82%</b>	<b>0.32%</b>	<b>47,868</b>	<b>8.7%</b>	<b>8.8%</b>	<b>-0.01%</b>	<b>8.81%</b>	<b>13.58%</b>	<b>18.20%</b>	<b>7.86%</b>
Russell 2000				8.90%	0.33%				0.44%	9.38%	14.58%	18.70%	8.50%
<b>INTERNATIONAL EQUITY</b>													
<i>Large Cap - Active</i>													
Capital Guardian	24,245	4.2%	4.0%	8.53%	3.03%	22,314	4.1%	4.0%	5.02%	13.98%	28.07%	20.99%	6.90%
LSV	24,093	4.2%	4.0%	10.66%	4.55%	21,777	4.0%	4.0%	6.24%	17.56%	27.09%	N/A	N/A
<b>Total Large Cap - Active</b>	<b>48,338</b>	<b>8.4%</b>	<b>8.0%</b>	<b>9.58%</b>	<b>3.78%</b>	<b>44,091</b>	<b>8.1%</b>	<b>8.0%</b>	<b>5.62%</b>	<b>15.74%</b>	<b>27.66%</b>	<b>21.92%</b>	<b>12.63%</b>
MSCI EAFE - 50% Hedged				9.06%	3.79%				4.87%	14.37%	26.72%	22.56%	6.89%
<i>Small Cap - Value</i>													
Lazard	5,939	1.0%	1.0%	14.66%	4.20%	5,180	0.9%	1.0%	0.72%	15.49%	23.65%	28.06%	N/A
Citigroup Broad Market Index < \$2BN				11.41%	3.40%				1.53%	13.11%	29.28%	32.40%	N/A
<i>Small Cap - Growth</i>													
Vanguard	6,023	1.1%	1.0%	12.63%	3.92%	5,348	1.0%	1.0%	3.73%	16.83%	29.24%	32.39%	N/A
Citigroup Broad Market Index < \$2BN				11.41%	3.40%				1.53%	13.11%	29.28%	32.40%	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>60,301</b>	<b>10.5%</b>	<b>10.0%</b>	<b>10.35%</b>	<b>3.84%</b>	<b>54,619</b>	<b>10.0%</b>	<b>10.0%</b>	<b>4.93%</b>	<b>15.79%</b>	<b>27.35%</b>	<b>23.83%</b>	<b>8.67%</b>
MSCI EAFE - 50% Hedged				9.06%	3.79%				4.87%	14.37%	26.72%	22.56%	6.89%
<b>DOMESTIC FIXED INCOME</b>													
<i>Core Bond</i>													
Western Asset	96,504	16.8%	17.3%	2.01%	-0.36%	93,992	17.2%	17.3%	4.45%	6.56%	-0.90%	7.36%	8.59%
Lehman Aggregate				1.24%	-0.58%				3.81%	5.09%	-0.81%	2.05%	4.97%
<i>Core Plus/Enhanced</i>													
Clifton Group	21,963	3.8%	4.0%	0.66%	-0.69%	21,680	4.0%	4.0%	N/A	N/A	N/A	N/A	N/A
Prudential	21,993	3.8%	4.0%	1.88%	-0.39%	21,438	3.9%	4.0%	N/A	N/A	N/A	N/A	N/A
<b>Total Core Plus/Enhanced</b>	<b>43,956</b>	<b>7.7%</b>	<b>8.0%</b>	<b>1.27%</b>	<b>-0.54%</b>	<b>43,119</b>	<b>7.9%</b>	<b>8.0%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Lehman Aggregate				1.24%	-0.58%				3.81%				
<i>Index</i>													
Bank of ND	40,597	7.1%	7.5%	1.31%	-0.40%	41,341	7.6%	7.5%	3.10%	4.46%	-1.14%	1.14%	4.90%
Lehman Gov/Credit (1)				1.04%	-0.76%				3.91%	4.99%	-1.52%	1.04%	4.78%
<i>BBB Average Quality</i>													
Wells Capital (formerly Strong)	96,229	16.8%	17.3%	1.75%	-0.69%	93,967	17.2%	17.3%	4.60%	6.43%	-2.11%	2.63%	N/A
Lehman US Credit BAA				1.49%	-0.94%				4.80%	6.36%	-2.37%	2.63%	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>277,286</b>	<b>48.4%</b>	<b>50.0%</b>	<b>1.70%</b>	<b>-0.51%</b>	<b>272,418</b>	<b>49.8%</b>	<b>50.0%</b>	<b>4.28%</b>	<b>6.06%</b>	<b>-1.39%</b>	<b>6.59%</b>	<b>7.79%</b>
Lehman Aggregate (2)				1.24%	-0.58%				3.81%	5.09%	-0.81%	1.84%	5.28%
<b>CASH EQUIVALENTS</b>													
Bank of ND	28,865	5.0%	5.0%	1.32%	0.44%	27,021	4.9%	5.0%	1.35%	2.68%	4.50%	2.71%	2.42%
90 Day T-Bill				1.26%	0.44%				1.33%	2.60%	4.00%	2.37%	2.25%
<b>TOTAL NDACo PROGRAM SAVINGS</b>	<b>573,098</b>	<b>100.0%</b>	<b>100.0%</b>	<b>4.71%</b>	<b>0.56%</b>	<b>547,313</b>	<b>100.0%</b>	<b>100.0%</b>	<b>3.89%</b>	<b>8.78%</b>	<b>6.25%</b>	<b>8.58%</b>	<b>5.43%</b>
POLICY TARGET BENCHMARK				4.10%	0.51%				3.99%	8.25%	5.85%	7.78%	5.23%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.